

**BOARD OF INVESTMENT TRUSTEES  
MONTGOMERY COUNTY EMPLOYEE RETIREMENT PLANS**

**MINUTES – OPEN SESSION**

May 20, 2011

101 Monroe Street, 15<sup>th</sup> floor  
Rockville, Maryland

Board Members Present:

Kelda Simpson  
Steve Farber  
Meg Menke  
Walt Bader  
Jeff Buddle  
Jeff Sharpe  
Lodge Gillespie  
George Willie  
Jennifer Barrett  
Joseph Beach  
Joseph Adler

Staff:

Linda Herman  
Marc Esen  
Brad Stelzer  
Stuart Potter  
John Feketekuty  
Akiko Kawashima

Others Present:

Mark Brubaker, Wilshire Associates  
Mike Dudkowski, Wilshire Associates  
Brad Atkins, Franklin Park  
Narayan Chowdhury, Franklin Park  
Amy Moskowitz, Counsel to the Board

***CALL TO ORDER***

Ms. Simpson called the open session of the Board to order at 8:34 a.m.

***DETERMINATION OF MEETING***

The Board unanimously approved a motion to move into closed session at 8:35 a.m. for the purpose of discussing the investment of public funds, pursuant to Maryland Code, State Government Article, 10-508(a)(5).

Ms. Simpson called the open session of the Board to order at 10:25 a.m.

**Approval of the Minutes:** Mr. Bader moved and Mr. Renne seconded, and the Board unanimously approved the minutes of the March 25, 2011 meeting.

**Retirement Savings Plan – Employer Contribution Holiday:** Ms. Herman presented the analysis of the Retirement Savings Plan’s cash balance and projected levels in FY11 and FY12. Staff recommended, based on the current cash balance and projected expenses, that the Board grant an employer contribution holiday of \$600,000 in FY11. After discussion, Mr. Adler moved and Mr. Beach seconded and the Board unanimously approved the following resolution:

**1105-02      *Resolved, That the Board approves the use of \$600,000 of the Retirement Savings Plan’s surplus cash balance to pay the employer contribution during FY11.***

**Proposed Legislation & Bylaws – Staff Authority:** Ms. Herman presented the revised legislation which would permit the Board to delegate “all of its duties” except for the investment of funds. The Board discussed the issue of delegation of the selection and termination of investment managers to Staff. Ms. Moskowitz noted the current requirements of the County Code related to the Board’s fiduciary duties. After discussion, the Board requested the legislation be amended to permit the Board to delegate its duties as it deems appropriate, consistent with fiduciary duties as set forth in its policies and procedures. In addition, the Board requested minor administrative corrections to be made to the Bylaws. After further discussion, Mr. Adler moved and Ms. Barrett seconded, and the Board unanimously approved the following resolution:

**1105-03      *Resolved, That the Board approves submitting legislation which will enable the Board to delegate its duties as it deems appropriate, consistent with fiduciary duties as set forth in its policies and procedures. The Board also approves changes to the Bylaws as discussed.***

**Proxy Voting:** Ms. Kawashima presented the proxy voting records from each of the ERS equity managers for the proxies voted during calendar year 2009 and 2010, along with each manager’s proxy voting guidelines.

**Brokerage Review:** Mr. Esen noted the annual brokerage review for the public equity managers was completed with no recommendation for changes.

There being no further business of the Board, the open meeting session was adjourned at 11:50 p.m.

Respectfully submitted,

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Joseph Adler, Secretary